Customer Satisfaction Towards The Services Provided By General Insurance Companies Within Surat City With Respect To Vehicle Insurance

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ABSTRACT

In this study attempt has been made to find out the satisfaction level of policy holders of general insurance companies with respect to vehicle insurance within Surat city. A sample of 50 respondents has been taken for study. For selection of the sample, non-probability judgment-cum-convenience sampling technique was used. The findings of the study reveal that most of the customers are satisfied.

KEYWORDS   Customer's satisfaction, General insurance, Vehicle insurance

INTRODUCTION

Today there are total 28 general insurance companies as per annual report of IRDA 2013-14 in India. The General Insurance Sector headed by General Insurance Corporation (GIC) and its four subsidiaries since nationalization of insurance industry. Besides public and private insurance companies, banks are also providing general insurance. After the entry of private players in the market, many innovations are launched in general insurance industry such as market intermediaries, agent, advisors, agent training, customer services, claim settlement etc. For people, the assets are their economic resource and these assets have economic value. The basic purpose of general insurance is to provide protection to economic value of assets. Therefore to protect these economic resources people take the general insurance.

Insurance other than Life Insurance falls under the category of General Insurance. General Insurance comprises of insurance of property against fire, burglary, other immovable property etc.

Non-life or general insurance deals with insurance covering non-life objects like animals, agricultural crops, goods, factories, cars etc. Non-life insurance also covers losses through individual behaviours like fraud, burglary, non-fulfilment of promises (in case of repayment of mortgage loans), professional negligence by doctors etc.

LITERATURE REVIEW

Arora (1988) in her doctoral work examined the role of GIC to provide finance to industry and also critically evaluated investment policies of GIC. The study revealed that the Investment Policy of GIC evolved within the ambit of the provisions of the Insurance Act 1938 and the guidelines provide by the government.

Faulkner and Bowman (1997) in his paper, they examined that perceived value is equal to satisfaction level of customer. The satisfaction level is based on purchasing, using and repurchasing of a product or service. They have given the opinion that it is responsibility of intermediaries to give knowledge about products to the customers. **Tripathy (2004)** in his paper has made an attempt to find out perception of customers towards services of insurance company through marketing variables. He has investigated the characteristics and preference of customers. He has analysed preference given by customers to different variables. The author suggested that to

achieve greater insurance penetration, private companies have to create more vibrant and competitive industry, with greater efficiency, choice of products and value for customers.

Goswami (2007) has tried to analyse the dimensions of service quality and made an attempt to understand various factors that ensure maximum customer satisfaction. The results show that the responsiveness of service quality provided maximum customer satisfaction in the life insurance industry in India.

Khurana (2008) in his paper made an attempt to identify the customer's preference for various factors. He tried to examine customer's preference towards plans and policies of insurance companies, their purpose of buying the insurance policies, satisfaction level of customers and their future plans for insurance policies.

OBJECTIVE OF STUDY

The main objective is to study the satisfaction level of policy holders about services provided by general insurance companies of Surat city.

HYPOTHESIS

H_0: The policy holders are not satisfied with the services provide by general insurance companies.

H_1: The policy holders are satisfied with the services provide by general insurance companies.

RESEARCH METHODOLOGY

1. Research design.
In this study the researcher has used research design which is descriptive in nature. A survey was conducted amongst policy holders of general insurance companies.

2. Sample size.
A sample of 50 respondents was taken for the survey and data analysis.

3. Sampling unit.
Sampling unit consists of consumers having vehicle insurance policy from general insurance companies within Surat city, Gujarat.

4. Sampling technique.
A convenience sampling technique (non probability sampling) was used for the survey.

5. Data collection.

Primary data was collected with the help of structured questionnaires from 50 respondents of general insurance companies of Surat city.

6. Data analysis.

As mentioned above, the study is based on a sample of 50 customers. The demographic profile of sample customers is shown in Table 1.

Table 1: Demographic Characteristics of sample customers (n=50)

Demographic factors		No. of respondents %	
		F	%
Gender	Male	31	62
	Female	19	38
Age	20-30	37	74
	31-40	03	06
	41-50	04	08
	Above 50	06	12
Marital status	Married	25	50
	Unmarried	25	50
Type of family	Joint	36	72
	Nuclear	14	28
Educational qualification	Under graduate	04	08
	Graduate	15	30
	Post graduates	26	52
	Professional	05	10
Annual income	Below Rs.1,00,000	05	10
	Rs.1,00,001 to Rs.2,00,000	19	38
	Rs.2,00,001 to Rs.3,00,000	09	18
	Above Rs.3,00,001	17	34
Occupation	Student	14	28
	Service	17	34
	Professional	10	20
	Business	09	18

There were two main reasons to analyze the demographic features of the respondents. First to clear a profile of general insurance customers and second to analyze customer satisfaction based on demographic characteristics. Demographic profile includes gender, age, marital status, type of family, education, occupation and income level.

Table 2: Give the name of your general insurance company?

Name of company	No. of Respondents	Percentage
HDFC ERGO	1	02
Reliance	1	02
Birla Life Insurance	2	04
Bharti Insurance	3	06
ICICI Lombard	3	06
TATA AIG	3	06
IFFCO Tokio	7	14
Bajaj Allianz	13	26
New India Assurance Co. Ltd.	12	24
National Insurance	5	10

Table 2 indicates the numbers of customers of different general insurance companies. In the study total 10 insurance companies including public and private sector general insurance companies were taken.

Table 3: How would you rate overall satisfaction for general insurance company?

Response	No. of respondents	Percentage
Highly dissatisfied	00	00
Dissatisfied	02	04
Neutral	07	14
Satisfied	32	64
Highly satisfied	09	18

Table 3 reveals that 64% of policy holders are satisfied, 18% are highly satisfied and 14% are neutral whereas 4% are dissatisfied with the services provided by general insurance companies.

FINDINGS OF THE STUDY

- The table 1 reveals that 62% of the respondents are male and 38% are female.
- Most of the respondents (74%) are in the age group 20-30 years.
- Majority (52%) of the respondents are post graduate followed by graduate (30%), professional (10%) and under graduate (08%).
- Most of the respondents (72%) are from joint family and others (28%) are from nuclear family.
- Out of the surveyed respondents the ratio of married and unmarried is equal.
- As high as 38% of the customers fall in the yearly income range of Rs.100001 to Rs 200000 and as low as 10% of the customers fall in the income range of below Rs.100000.
- As regards the occupation, 34% of the respondent's customers are service holders, 28% are students, 20% are professional and 118% are businessmen.
- It is revealed from the table-2 that 66% of the respondents are customers of private general insurance companies whereas 34% are customers of public general insurance companies.
- It is revealed from the table-3 that 64% of policy holders are satisfied, 18% are strongly satisfied and 14% are neutral whereas 4% are dissatisfied with the services provided by general insurance companies.

LIMITATIONS OF STUDY

1. The study is limited to 50 respondents of selected general insurance companies of Surat city.
2. It may be possible there was biasness in the responses given by respondent, which ultimately constrains the result of study.

CONCLUSIONS

From the study it can be concluded that public insurance companies have to provide some extra facilities to insured. The private players have to introduce new skim like Aam Admi Bima Yojna. Micro insurance products must be promoted to provide the benefit of insurance to poor people of the society. In order to compete both private and public players have to focus on specific needs of insured. As the insurance sector is totally depends on insured, general insurance companies have to try fulfilling the expectations of policy holders.

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